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Summary

Main Features

ABOUT THIS PUBLICATION

This publication provides an overview of the South Australian economy. The overview will be updated on a quarterly basis (in September, December, March and June) and in the intervening months the publication will include feature articles that provide a South Australian focus on economic, social and environmental issues.

This month there are two articles.

The first article, **International Trade in Services**, presents international trade in services data from the publication 'International Trade in Goods and Services, Australia' (cat. no. 5368.0) for the financial years 1999-00 to 2004-05. All monetary values in this article are expressed in original terms.

The second article, entitled **International Students in South Australia**, presents expenditure data from the publication 'International Trade in Goods and Services, Australia, October 2005' (ABS cat. no. 5368.0) and enrolment data from the Department of Education, Science and Training. Expenditure data is for the period 2002-2004 and enrolment data is for the period 2002-2005. When the two sets of data are examined together the period 2002-2004 is used for comparison purposes.

Explanatory Notes are not included in SA Stats in the form found in other ABS publications. Readers are directed to the Explanatory Notes contained in related ABS publications referenced in the feature article.

If you have any comments about this product please contact Lisa Moutzouris on ph: (08) 8237 7455 or alternatively e-mail lisa.moutzouris@abs.gov.au.

INTERNATIONAL TRADE IN SERVICES

International trade in services consist of services rendered by Australian residents to non-residents (exports of services or credits) and by non-residents to residents (imports of services or debits). The difference between the credits and debits values is referred to as the balance on international trade in services. The main commodity categories of international trade in services include:

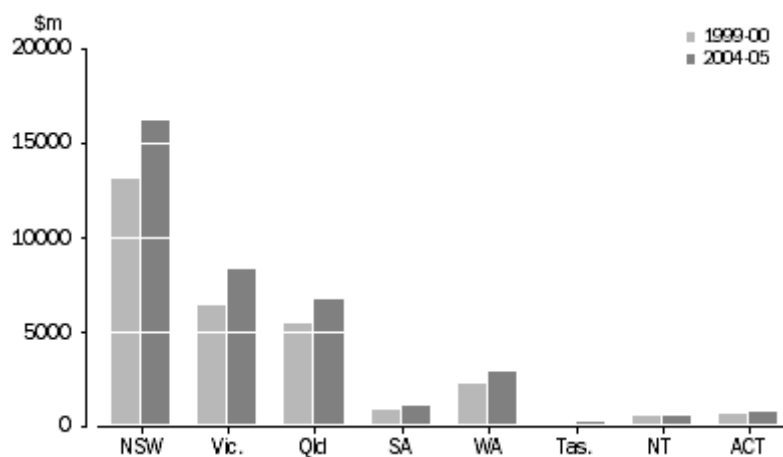
- Transportation Services
- Travel Services
- Communications Services

- Insurance Services
- Financial Services
- Computer and Information Services

The deficit in the balance on international trade in services has shown a large percentage increase between 1999-00 and 2004-05 for both South Australia and Australia. While the value of services credits has grown significantly over the period, the value of services debits has grown at a faster rate.

The value of services credits was \$1,052m for South Australia for 2004-05, an increase of 19.7% over the \$879m recorded for 1999-00. For Australia, the value of services credits was \$36,518m for 2004-05, an increase of 25.1% over the \$29,198m recorded for 1999-00. For 2004-05, South Australia recorded 2.9% of the total international trade in services credits for Australia, down from 3.0% in 1999-00.

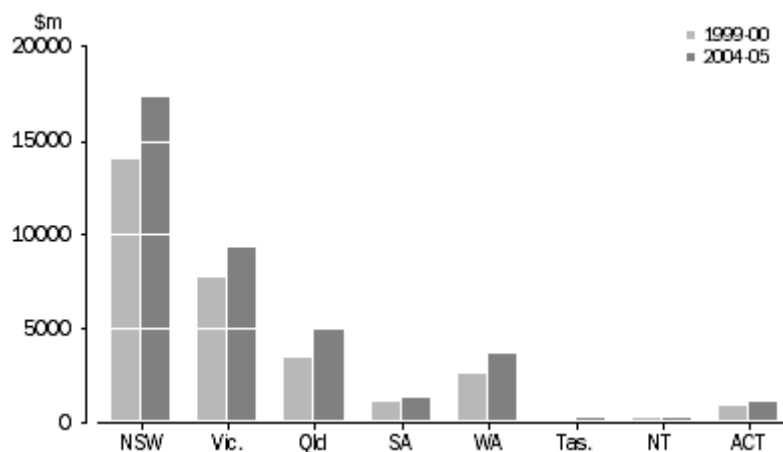
INTERNATIONAL TRADE IN SERVICES (CREDITS), States and Territories, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 52)

The value of services debits was \$1,342m for South Australia for 2004-05, an increase of 23.7% over the \$1,085m in 1999-00. For Australia, the value of services debits was \$38,073m for 2004-05, an increase of 26.5% over the \$30,102m in 1999-00. For 2004-05, South Australia recorded 3.5% of the total international trade in services debits for Australia, down from 3.6% in 1999-00.

INTERNATIONAL TRADE IN SERVICES (DEBITS), States and Territories, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 54)

TRAVEL SERVICES

Travel and transportation services dominate international trade in services. For the financial year ended 30 June 2005, these two components represented approximately 75% of the total international trade in services for both debits and credits in both South Australia and Australia.

Of these two components, it is travel that provides the largest component of international trade in services (both credits and debits) for South Australia and Australia.

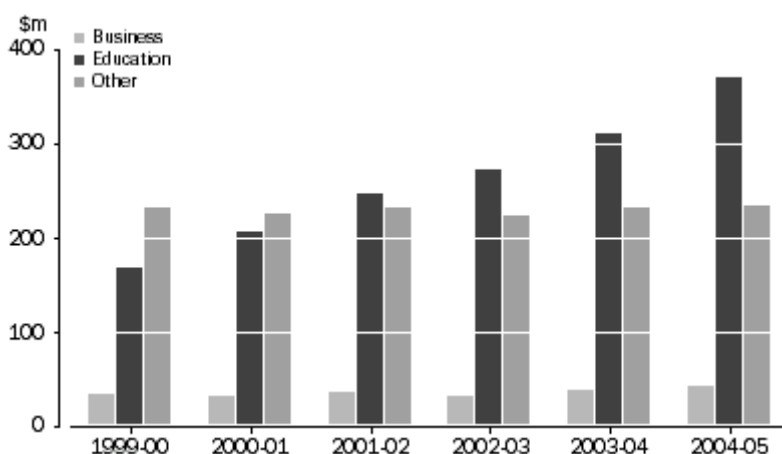
Travel covers all services consumed by travellers and foreign workers and consists of two components: business travel and personal travel.

Business travel covers personal expenditures on goods and services by seasonal and other non-resident workers in the economies in which they are employed and by travellers who visit an economy for business purposes.

Personal travel is further broken down into Education-related travel and Other personal travel. Education-related travel covers all expenditure by international students, including tuition fees. Other personal travel covers expenditure by travellers for purposes other than business and education. This includes leisure activities such as holidays.

Between 1999-00 and 2004-05, travel services credits increased from \$433m to \$644m for South Australia. This is a 48.7% increase and is largely due to the increase in Education-related travel services credits. Education-related travel services credits increased from \$168m in 1999-2000 to \$369m in 2004-05, an increase of 119.6%. Travel services credits represented 61.2% of the total international trade in services credits for South Australia in 2004-05.

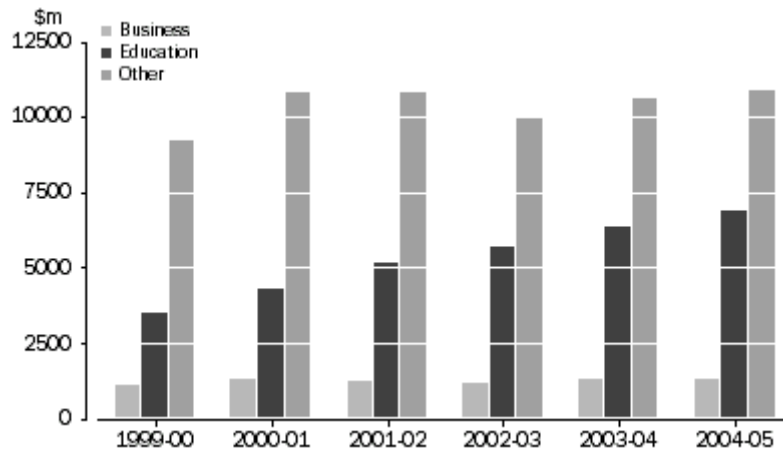
TRAVEL SERVICES (CREDITS), South Australia, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 52)

For Australia, travel services credits increased from \$13,780m in 1999-00, to \$19,068m in 2004-05, an increase of 38.4%. The largest sub-category of travel for Australia is the Other personal travel sub-category. This sub-category represented 56.9% of travel services credits for Australia in 2004-05. Travel services credits represented 52.2% of the total international trade in services credits for Australia in 2004-05.

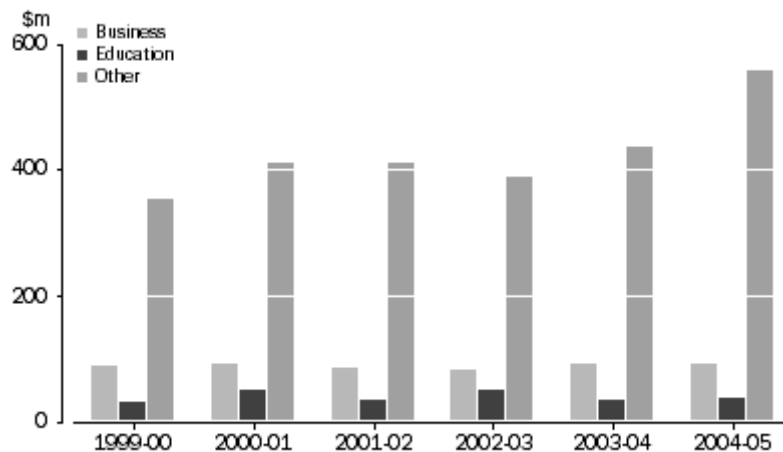
TRAVEL SERVICES (CREDITS), Australia, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 52)

Between 1999-00 and 2004-05, travel services debits increased from \$474m to \$688m for South Australia. This is a 45.1% increase and is largely due to the increase in expenditure in the Other personal travel sub-category. This sub-category includes expenditure by South Australian residents in foreign countries for leisure activities such as holidays. Spending in this sub-category increased from \$354m in 1999-00 to \$556m in 2004-05, an increase of 57.1%. Travel services debits represented 51.3% of the total international trade in services debits for South Australia in 2004-05.

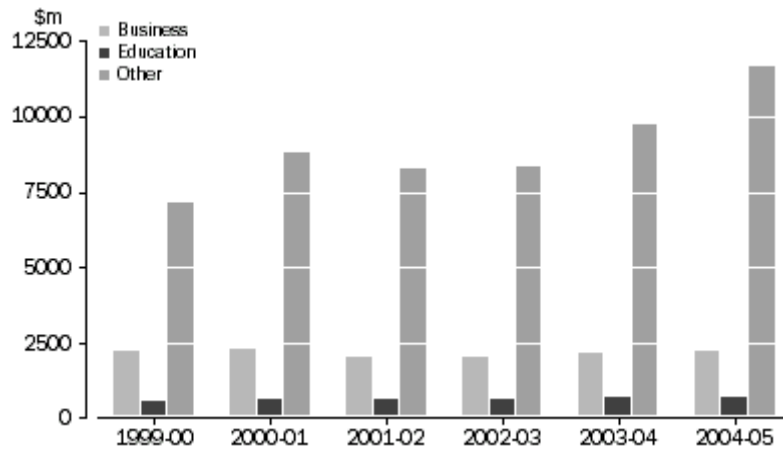
TRAVEL SERVICES (DEBITS), South Australia, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 54)

Between 1999-00 and 2004-05 travel services debits increased from \$9,937m in 1999-00 to \$14,620m in 2004-05 for Australia. This is an increase of 47.1% and is due to the sub-category, Other personal travel. Expenditure in the Other personal travel sub-category for Australia increased from \$7,148m in 1999-00 to \$11,669m in 2004-05, an increase of 63.2%. Travel services debits represented 38.4% of the total international trade in services debits for Australia in 2004-05.

TRAVEL SERVICES (DEBITS), Australia, 1999-00 to 2004-05

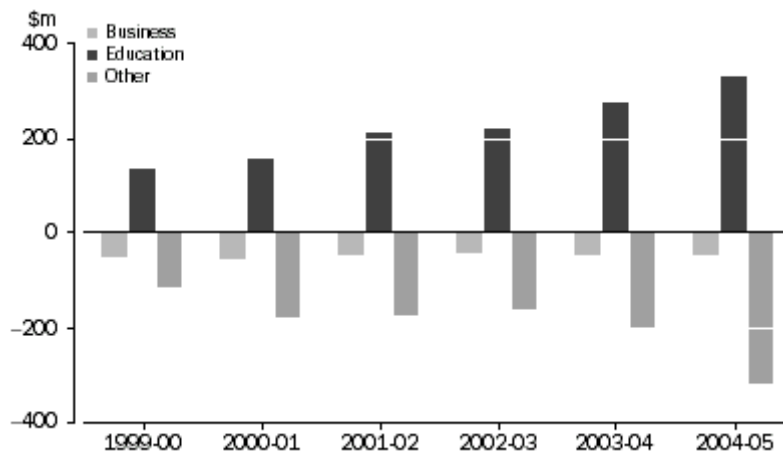


Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 54)

DEFICIT/SURPLUS

South Australia has recorded a deficit for international trade in services for each financial year since 1999-00. In 1999-00 the deficit was \$206m and in 2004-05 the deficit was \$290m. For Australia there was a deficit of \$904m in 1999-00 and in 2004-05 the deficit was \$1,555m.

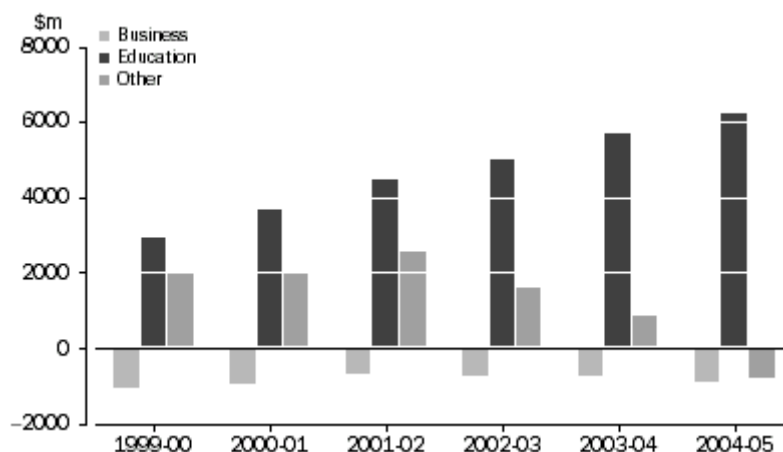
TRAVEL SERVICES, SURPLUS/DEFICIT, South Australia, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 52) and International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 54)

For Australia, there has been a surplus in the balance on travel services for each financial year since 1999-00. In 1999-00 the surplus was \$3,843m and this increased to \$4,448m in 2004-05. The surplus for Australia in the balance on travel services is related largely to the surplus in education related travel services.

TRAVEL SERVICES, SURPLUS/DEFICIT, Australia, 1999-00 to 2004-05



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 52) and International Trade in Goods and Services, Australia (cat. no. 5368.0, Table 54)

REFERENCES

Source: International Trade in Goods and Services, October 2005 (cat. no. 5368.0).

INTERNATIONAL STUDENTS IN SOUTH AUSTRALIA

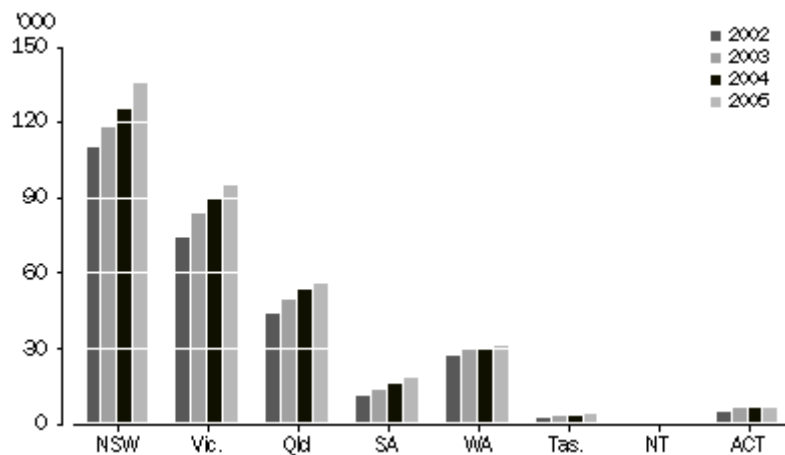
South Australia recorded the largest percentage increase in international student enrolments of all states and territories over the period 2002-2005. Expenditure by international students in South Australia has also increased at a higher rate than other states and territories for the period 2002-2004. The data from both sources suggests that similar patterns may exist between enrolment figures and expenditure by international students.

International students are defined as all full-fee paying students studying in Australia on a student visa. This definition does not include Australian citizens, Australian permanent residents or New Zealand citizens. Enrolment data from the Department of Education, Science and Training counts actual student enrolments as opposed to the number of international students in the country. For example a student enrolled in both the higher education and vocational sectors will have both enrolments counted.

INTERNATIONAL STUDENT ENROLMENTS

Of the 344,815 international student enrolments in Australia for 2005, 17,936 were enrolled in South Australia. This represents 5.2% of international student enrolments in Australia, an increase from 2002 when there were 11,042 international student enrolments in South Australia, representing 4.0% of international student enrolments in Australia. The following graph shows New South Wales and Victoria continue to be the most popular destinations for international students, comprising 39.2% and 27.4% respectively, of the total international student enrolments in Australia for 2005.

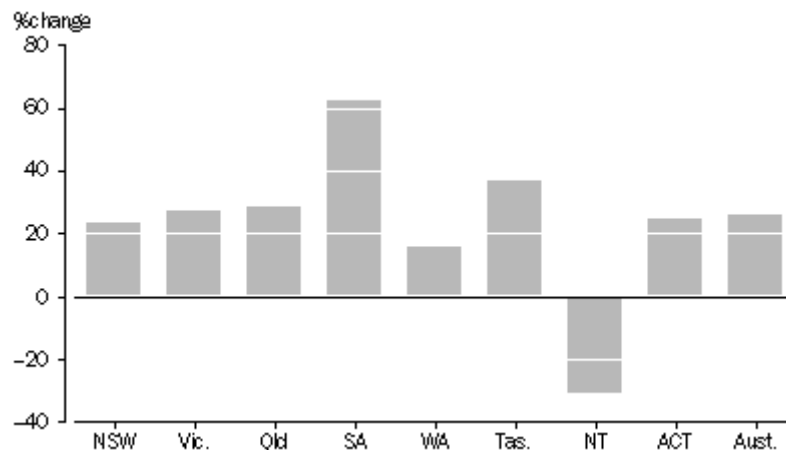
INTERNATIONAL STUDENT ENROLMENTS, States and Territories, 2002 to 2005



Source: Department of Education, Science and Training

International student enrolments for South Australia increased 62.4% (11,042 to 17,936) over the period 2002-2005. This compared to a 26.1% increase for Australia (273,552 to 344,815). South Australia recorded the highest percentage increase of all states and territories. The next highest state was Tasmania which recorded a 36.6% increase.

CHANGE IN INTERNATIONAL STUDENT ENROLMENTS, States and Territories, 2002 to 2005



Source: Department of Education, Science and Training

ORIGIN OF STUDENTS

The majority of international students who chose to study in South Australia over the period 2002-2005 were from Asian countries. Asia consists of 3 sub categories, Southern and Central Asia, South-East Asia and North-East Asia. Students from Asian countries comprised 85.7% of international student enrolments in 2005, increasing from 77.0% in 2002. Nationally, 78.3% of international student enrolments in 2005 were from Asian countries, increasing from 77.1% in 2002.

The countries with the largest enrolment increases over the period 2002-2005 were China and India. In South Australia enrolments from China increased from 1,818 in 2002 to 5,400 in 2005 (30.1% of all international student enrolments in South Australia for 2005) and enrolments from India increased from 257 in 2002 to 1,460 in 2005 (8.1% of all international student enrolments in South Australia for 2005). For Australia the number of enrolments from China increased from 47,816 in 2002 to 81,184 in 2005 (23.5% of all international student enrolments in Australia for 2005) and enrolments from India increased from 11,342 in 2002 to 27,661 in 2005 (8% of all international student enrolments in Australia for 2005).

SECTOR OF EDUCATION

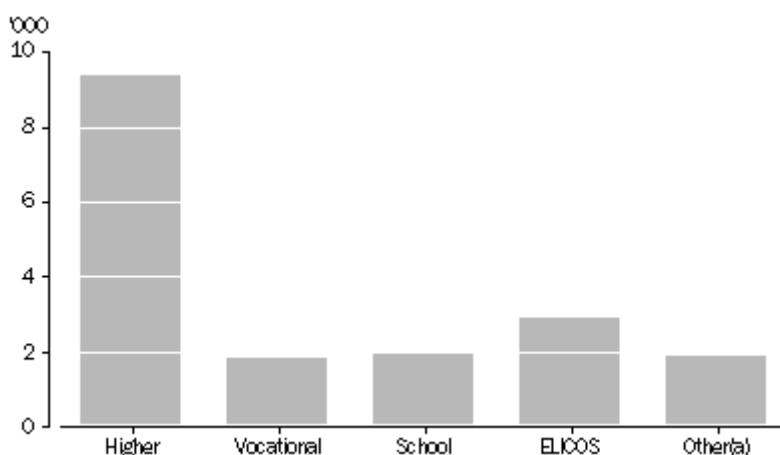
The Department of Education, Science and Training classifies international students into five categories or sectors. These categories are:

- Higher Education - undergraduate and postgraduate university students
- Vocational - Technical and Further Education (TAFE) and related institute students
- School - secondary and primary students
- English Language Intensive Courses for Overseas Students (ELICOS) - English language intensive students
- Other - courses outside the above categories, e.g. foundation courses

Of the 17,936 international student enrolments in South Australia for 2005, the majority were higher education students (52.1%). This category also recorded the largest increase (96.7%) over the results for 2002 with enrolments up by 4,340.

Higher education students also comprised the largest sector of international student enrolments in Australia for 2005 with 163,930 (47.5%) students, an increase of 47,694 (42.5%) from 116,236 recorded for 2002.

INTERNATIONAL STUDENTS BY EDUCATION SECTOR, South Australia, 2005



(a) Courses outside of the other categories, e.g. foundation courses

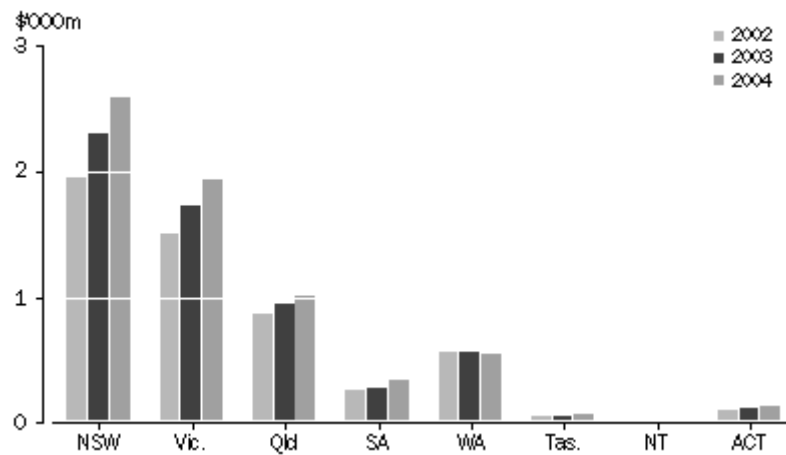
Source: Department of Education, Science and Training

EXPENDITURE BY INTERNATIONAL STUDENTS

Expenditure by international students includes tuition fees, course material, accommodation and expenditure on goods and services.

International students in South Australia spent an estimated \$339 million in the 2004 calendar year. This represents 5.1% of the total expenditure by international students in Australia for 2004, increasing from 4.8% in 2002. New South Wales recorded the highest expenditure by international students accounting for 39.1% of the total expenditure by international students in Australia for 2004. New South Wales have more international students and therefore a larger share of expenditure.

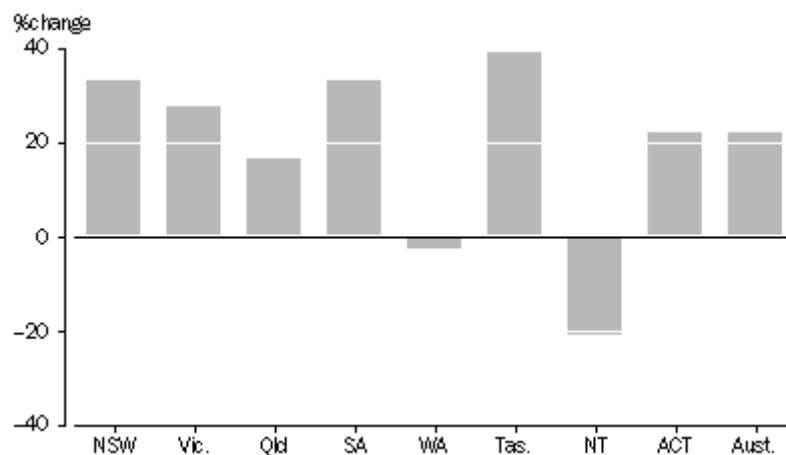
EXPENDITURE OF INTERNATIONAL STUDENTS, States and Territories, 2002 to 2004



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0)

Expenditure by international students in South Australia has increased by 32.9% (\$255m to \$339m) over the period 2002 to 2004. This percentage increase compares favourably with other states and territories, with only Tasmania recording a higher percentage increase by 38.8% (\$49m to \$68m). For Australia the increase was from \$5,324 million to \$6,632 million for the period, an increase of 24.6%.

CHANGE IN EXPENDITURE OF INTERNATIONAL STUDENTS, States and Territories, 2002 to 2004

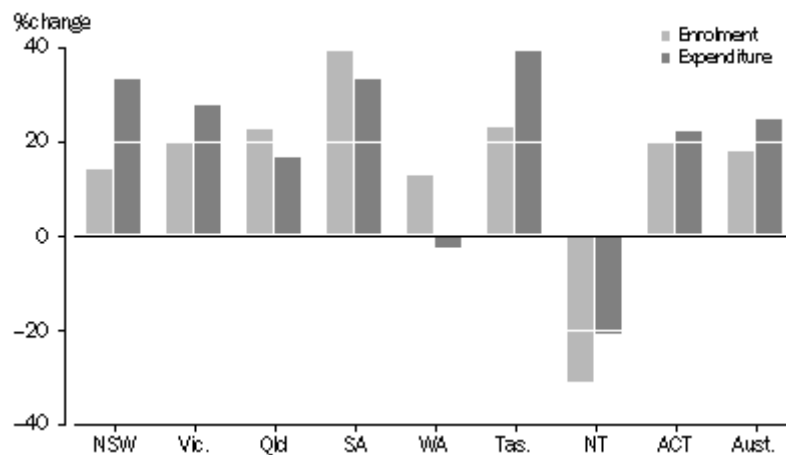


Source: International Trade in Goods and Services, Australia (cat. no. 5368.0)

RELATIONSHIP BETWEEN ENROLMENT AND EXPENDITURE DATA

The following graph shows the percentage change between 2002 and 2004 in enrolment figures and expenditure by international students in the states and territories.

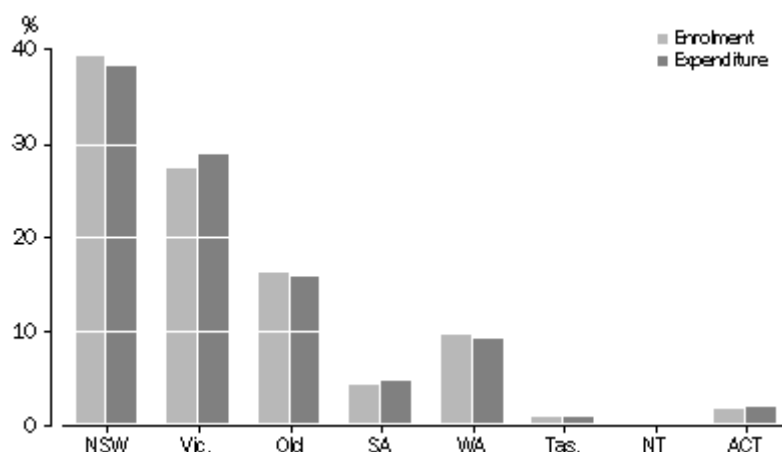
CHANGE IN ENROLMENT AND EXPENDITURE, States and Territories, 2002 to 2004



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0) and Department of Education, Science and Training

The following graph shows that in each state and territory, the share of enrolments was similar to the share of expenditure. The data displays the states and territories share of Australia's average enrolments and expenditure between 2002 and 2004. South Australia recorded 4.4% of the total international student enrolments in Australia and 4.8% of the total expenditure by international students in Australia.

AVERAGE ENROLMENT AND EXPENDITURE, Percentage of Australia, 2002 to 2004



Source: International Trade in Goods and Services, Australia (cat. no. 5368.0) and Source: Department of Education, Science and Training

REFERENCES

International student enrolment figures - Australian Education International, Department of Education, Science and Training.

<http://aei.dest.gov.au/AEI/MIP/Statistics/StudentEnrolmentAndVisaStatistics/Recent.htm>.

International Trade in Goods and Services, Australia, October 2005 (cat. no. 5368.0, Table 55).

About this Release

An economic summary for South Australia is provided each quarter in the form of graphs and explanatory text. In the second and third months of each quarter one or more articles

examine an area of specific interest to South Australia.

Replaces: 1307.4

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